

**First Regular Session
Sixty-third General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 01-0338.01 Michele Hanigsberg

HOUSE BILL 01-1273

HOUSE SPONSORSHIP

Alexander, and Tochtrop

SENATE SPONSORSHIP

Hagedorn,

House Committees

Health, Environment, Welfare, & Institutions

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING SUBSTANCE ABUSE TREATMENT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Requires any health benefit plan that provides coverage for substance abuse treatment to provide coverage for treatment regardless of whether it occurs as a result of contact with the criminal justice or legal system. Adds outpatient substance abuse treatment as an optional service under medicaid and requires the department of health care policy and financing ("department") to amend the state plan to conform with this change. Requires the department to amend the state plan to include any substance abuse treatment services for Native Americans for which there is 100% federal financial participation. Requires the executive director

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

of the department, in consultation with the department of human services, to apply for a federal waiver to provide comprehensive substance abuse treatment services to specific medicaid populations. Establishes an interim study committee made up of legislators and members of the public to study substance abuse and identify any potential cost savings or cost avoidance to the state general fund.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) Substance abuse problems are among the most significant
5 social issues Colorado faces;

6 (b) These problems have no political, socio-economic, or human
7 boundaries;

8 (c) Alcohol and other drug abuse unacceptably increase health care
9 costs;

10 (d) A large percentage of juvenile and adult defendants have
11 alcohol or other drug problems, or were under the influence of alcohol or
12 other drugs at the time of their offense;

13 (e) In the work place, substance abuse contributes to absenteeism,
14 reduced productivity, accidents, increased worker's compensation claims,
15 and crimes;

16 (f) In addition, alcohol and other drug problems have contributed
17 to breakdowns of the home and community;

18 (g) A comprehensive continuum of responses and services,
19 encompassing prevention, education, detection, treatment, rehabilitation,
20 and law enforcement to allow individuals and communities to fully
21 address substance abuse is necessary because it eliminates fragmentation
22 and assures appropriate patient placement to achieve desired results;

1 (h) Although this act limits the responses and services offered, it
2 begins to address the need for a continuum of care for our most vulnerable
3 populations; and

4 (i) It is in the best interests of the state and the communities and
5 families within the state to begin to provide substance abuse treatment and
6 education to this vulnerable population.

7 **SECTION 2.** Part 1 of article 16 of title 10, Colorado Revised
8 Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

9 **10-16-104.7. Substance abuse - court ordered treatment**
10 **coverage.** (1) ANY INDIVIDUAL OR GROUP HEALTH BENEFIT PLAN
11 DELIVERED OR ISSUED FOR DELIVERY WITHIN THIS STATE BY AN ENTITY
12 SUBJECT TO THE PROVISIONS OF PART 2, 3, OR 4 OF THIS ARTICLE THAT
13 PROVIDES COVERAGE FOR SUBSTANCE ABUSE TREATMENT SHALL PROVIDE
14 COVERAGE FOR SUBSTANCE ABUSE TREATMENT REGARDLESS OF WHETHER
15 THE TREATMENT IS VOLUNTARY OR COURT-ORDERED AS A RESULT OF
16 CONTACT WITH THE CRIMINAL JUSTICE OR LEGAL SYSTEM.

17 (2) NOTHING IN THIS SECTION SHALL MANDATE OR BE CONSTRUED
18 TO MANDATE THAT ANY HEALTH BENEFIT PLAN MUST PROVIDE COVERAGE
19 FOR SUBSTANCE ABUSE TREATMENT.

20 **SECTION 3.** 26-4-302 (1), Colorado Revised Statutes, is
21 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22 **26-4-302. Basic services for the categorically needy - optional**
23 **services.** (1) The following are services for which federal financial
24 participation is available and which Colorado has selected to provide as
25 optional services under the medical assistance program:

26 (u) OUTPATIENT SUBSTANCE ABUSE TREATMENT, AS DEFINED IN
27 SECTION 26-4-103.

1 **SECTION 4.** 26-4-103, Colorado Revised Statutes, is amended
2 BY THE ADDITION OF A NEW SUBSECTION to read:

3 **26-4-103. Definitions.** As used in this article, unless the context
4 otherwise requires:

5 (11.3) "OUTPATIENT SUBSTANCE ABUSE TREATMENT" MEANS THE
6 FOLLOWING: TREATMENT PROVIDED BY AN APPROVED TREATMENT
7 FACILITY, IN ACCORDANCE WITH SECTION 25-1-306, C.R.S., THAT IS
8 CONTRACTED THROUGH A MANAGED SERVICES ORGANIZATION FUNDED BY
9 THE ALCOHOL AND DRUG ABUSE DIVISION OF THE DEPARTMENT OF HUMAN
10 SERVICES, AND THAT IS PROVIDED ON A REGULARLY SCHEDULED BASIS
11 WITH A FREQUENCY OF FEWER THAN NINE TREATMENT CONTACT HOURS PER
12 WEEK, AND AS FURTHER DEFINED BY RULE OF THE DEPARTMENT OF HUMAN
13 SERVICES.

14 **SECTION 5.** Part 4 of article 4 of title 26, Colorado Revised
15 Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW
16 SECTIONS to read:

17 **26-4-420. Substance abuse treatment - federal waiver.** (1) THE
18 EXECUTIVE DIRECTOR OF THE STATE DEPARTMENT, IN CONSULTATION WITH
19 THE DEPARTMENT OF HUMAN SERVICES, SHALL APPLY FOR A FEDERAL
20 WAIVER TO PROVIDE SUBSTANCE ABUSE TREATMENT TO ANY PERSON WHO
21 IS ELIGIBLE FOR MEDICAID AS PROVIDED IN SECTION 26-4-201 (1) (a),
22 26-4-201 (1) (b), 26-4-301 (1) (a), OR 26-4-301 (1) (o).

23 (2) THE PROVISIONS OF THIS SECTION SHALL BE IMPLEMENTED TO
24 THE EXTENT AUTHORIZED BY THE FEDERAL WAIVER.

25 **26-4-421. Substance abuse treatment for Native Americans -**
26 **state plan amendment.** THE DEPARTMENT OF HEALTH CARE POLICY AND
27 FINANCING SHALL AMEND THE STATE PLAN TO INCLUDE ANY SUBSTANCE

1 ABUSE TREATMENT BENEFITS AVAILABLE TO NATIVE AMERICANS IN WHICH
2 THERE IS ONE HUNDRED PERCENT FEDERAL FINANCIAL PARTICIPATION.

3 **26-4-422. Substance abuse interim study committee - report -**
4 **repeal.** (1) (a) THERE IS HEREBY CREATED AN INTERIM COMMITTEE TO
5 STUDY SUBSTANCE ABUSE AND TREATMENT MODELS THEREFOR AND TO
6 IDENTIFY ANY LONG-TERM AND SHORT-TERM POTENTIAL COST SAVINGS OR
7 COST AVOIDANCE TO THE STATE GENERAL FUND.

8 (b) THE COMMITTEE SHALL CONSIST OF TWELVE MEMBERS. THE
9 SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE PRESIDENT OF THE
10 SENATE, THE MINORITY LEADER OF THE SENATE, AND THE GOVERNOR
11 SHALL APPOINT THE MEMBERS OF THE COMMITTEE, AS FOLLOWS:

12 (I) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL
13 APPOINT THREE REPRESENTATIVES TO SERVE ON THE COMMITTEE, NO MORE
14 THAN TWO OF WHOM SHALL BE MEMBERS OF THE SAME POLITICAL PARTY;

15 (II) THE PRESIDENT OF THE SENATE SHALL APPOINT TWO SENATORS
16 TO SERVE ON THE COMMITTEE, AND THE MINORITY LEADER OF THE SENATE
17 SHALL APPOINT ONE SENATOR TO SERVE ON THE COMMITTEE;

18 (III) THE GOVERNOR SHALL APPOINT SIX PERSONS TO THE
19 COMMITTEE WHO ARE EXPERIENCED AND KNOWLEDGEABLE IN THE FIELD
20 OF SUBSTANCE ABUSE TREATMENT.

21 (c) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL
22 SELECT THE CHAIR OF THE COMMITTEE, AND THE PRESIDENT OF THE SENATE
23 SHALL SELECT THE VICE-CHAIR.

24 (d) MEMBERS OF THE COMMITTEE SHALL SERVE WITHOUT
25 COMPENSATION; EXCEPT THAT MEMBERS OF THE GENERAL ASSEMBLY THAT
26 SERVE ON THE COMMITTEE SHALL BE PAID AS PROVIDED PURSUANT TO
27 SECTION 2-2-307, C.R.S., FOR ATTENDANCE AT MEETINGS OF THE

1 COMMITTEE.

2 (2) THE COMMITTEE SHALL STUDY AT LEAST THE FOLLOWING
3 ISSUES:

4 (a) THE DEMOGRAPHICS AND THE POPULATION OF COLORADO
5 CITIZENS AFFECTED BY SUBSTANCE ABUSE;

6 (b) EFFECTIVE PREVENTION, INTERVENTION, AND TREATMENT
7 MODELS FOR ADDRESSING SUBSTANCE ABUSE;

8 (c) THE IDENTIFICATION OF ANY POTENTIAL COST SAVINGS OR COST
9 AVOIDANCE TO THE STATE GENERAL FUND OR PUBLICLY FUNDED PROGRAMS
10 IN HEALTH CARE, HUMAN SERVICES, PUBLIC SAFETY, AND THE JUVENILE
11 AND ADULT CRIMINAL JUSTICE SYSTEMS BY THE IMPLEMENTATION OF SUCH
12 SUBSTANCE ABUSE PREVENTION, INTERVENTION, AND TREATMENT MODELS;

13 (d) THE AVAILABILITY OF STATE GENERAL FUND MONEYS OR
14 MONEYS FROM OTHER SOURCES TO FINANCE EFFECTIVE SUBSTANCE ABUSE
15 TREATMENT FOR THE MEDICAID-ELIGIBLE POPULATIONS.

16 (3) (a) THE COMMITTEE SHALL BE APPOINTED AND MEET ON OR
17 BEFORE AUGUST 1, 2001, AND SHALL MEET AT LEAST THREE TIMES.

18 (b) MEMBERS OF THE COMMITTEE SHALL SUBMIT A WRITTEN
19 REPORT ON THEIR FINDINGS AND RECOMMENDATIONS ON OR BEFORE
20 NOVEMBER 15, 2001, TO THE HEALTH, ENVIRONMENT, WELFARE, AND
21 INSTITUTIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE
22 HEALTH, ENVIRONMENT, CHILDREN AND FAMILIES COMMITTEE OF THE
23 SENATE. IN ADDITION, THE COMMITTEE MAY RECOMMEND LEGISLATIVE
24 CHANGES WHICH SHALL BE TREATED AS BILLS RECOMMENDED BY AN
25 INTERIM LEGISLATIVE COMMITTEE FOR PURPOSES OF ANY INTRODUCTION
26 DEADLINES OR BILL LIMITATIONS IMPOSED BY THE JOINT RULES OF THE
27 GENERAL ASSEMBLY.

1 (4) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2002.

2 **SECTION 6. Authorization to amend state plan - rules.** The
3 department of health care policy and financing shall amend the state plan
4 and applicable rules consistent with the provisions of this act.

5 **SECTION 7. Effective date - applicability.** (1) This section and
6 sections 3, 4, 5, 6, and 8 shall take effect July 1, 2001.

7 (2) Section 2 of this act shall take effect on January 1, 2002, and
8 shall apply to all policies issued or renewed after said date.

9 **SECTION 8. Safety clause.** The general assembly hereby finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, and safety.